

House Transportation Committee



March 22, 2010
Kalamazoo County Road Commission (KCRC)
3801 East Kilgore
Kalamazoo, MI 49001
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www.kalamazoo-countyroads.net
*Kalamazoo County Road Commission 2009



What Infrastructure does KCRC maintain?

- 1,263 Miles of Primary & Local Roads
- 60 Bridges



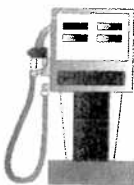
KCRC Expenditures

	<u>2008</u>	<u>2009</u>
• Construction & Preservation	54%	38%
• Routine & Preventative Maintenance	28%	45%

Michigan Transportation Fund (MTF)



Major Challenges



- Higher gas prices = fewer gallons sold = less fuel tax revenue
- Higher fuel efficiency = fewer gallons sold = less fuel tax revenue
- Funding is not keeping pace with inflation!



The IMPACT

1984:

- Gasoline Tax = 15 cents/gallon
- Diesel tax = 15 cents/gallon

1997:

- Gasoline Tax = 19 cents/gallon
- Diesel tax = 15 cents/gallon

NO INCREASE SINCE 1997! Only a 4 cent increase in 26 years!

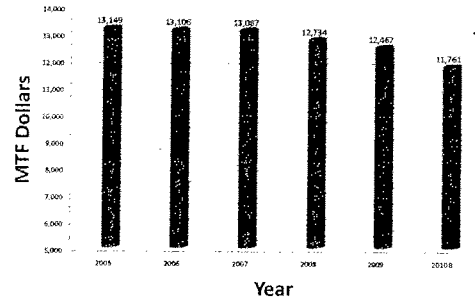


The IMPACT

- MTF dollars account for nearly 64% of KCRC's revenue
- Budgeted 4% decrease in 2008
- Budgeted 5% decrease in 2009
- Budgeted 5% decrease in 2010



Kalamazoo County Road Commission MI Transportation Fund Receipts



Our MTF was \$13,149,000 in 2005 and our 2010 MTF Budget is \$11,761,000

The IMPACT: a decrease in \$1,388,000 of revenue!



The IMPACT

- Our budgeted 2010 MTF Revenue is below our 1998 figure
- Cost of materials increased including:
 - Salt
 - Fuel
 - Asphalt
- Roads and bridges will continue to deteriorate without the necessary investment



How has KCRC faced the IMPACT?

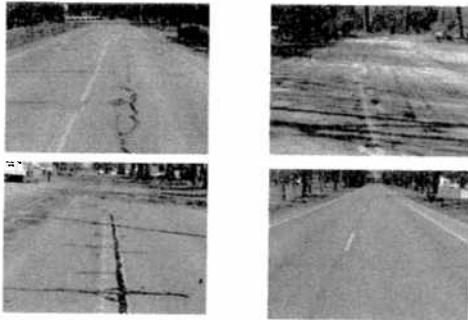
- *Efficiency Review*
 - Adding wing plows to trucks
 - More sand/salt/pre treated mix
 - Experimenting with new products
 - Cross training personnel
 - Public/Private Partnerships
 - Asset Management data collection on the local system
 - Mix of fixes
 - Joint purchasing
 - Increased use of technology



How has KCRC faced the IMPACT?

- *Cost Cutting Measures*
 - Capital Outlay items deferred
 - 9 positions realigned and/or not replaced
 - Reduced scope of projects to accommodate funding levels
 - Reduced preventative maintenance treatments including \$322,000 for 2010
 - Reduced services/budget items by 5%
 - Benefit plan & wage reductions

The IMPACT

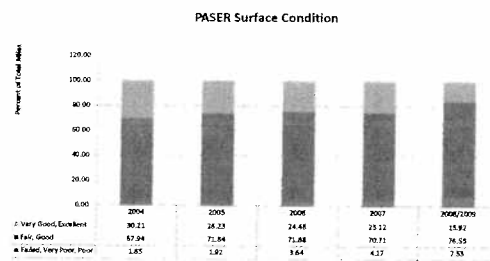


Federal Funding

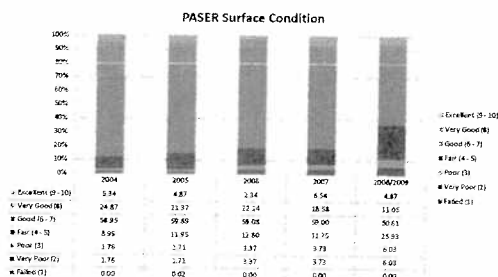
“Donor State”

- 92% of this tax returns to Michigan
- Michigan receives less federal dollars than it sends to Washington
- Support of the State Highway & Bridge program is needed to not leave federal aid on the table!

Federal Aid Eligible Road System Current Road Conditions



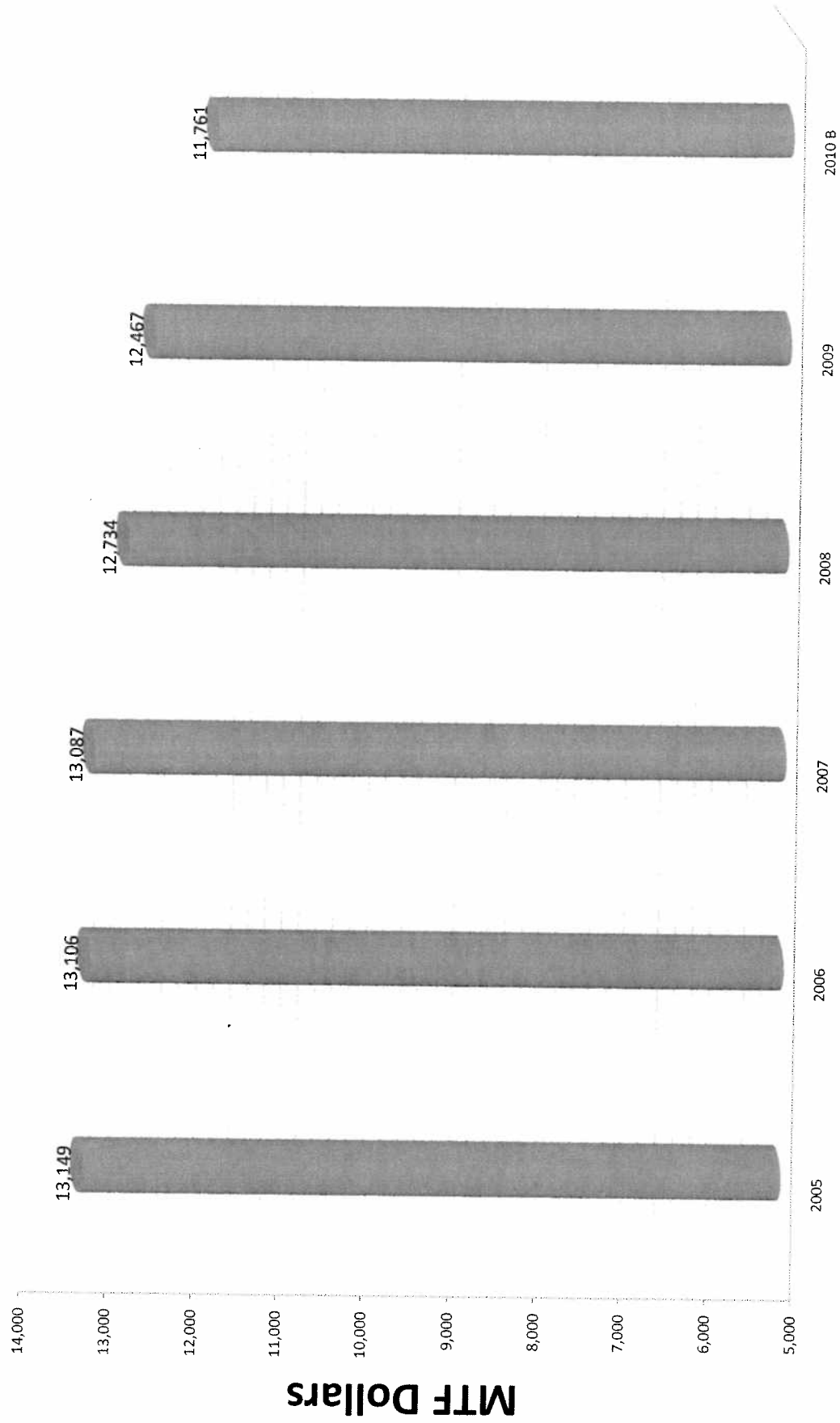
Federal Aid Eligible Road System Current Road Conditions



Is this as good as it gets?

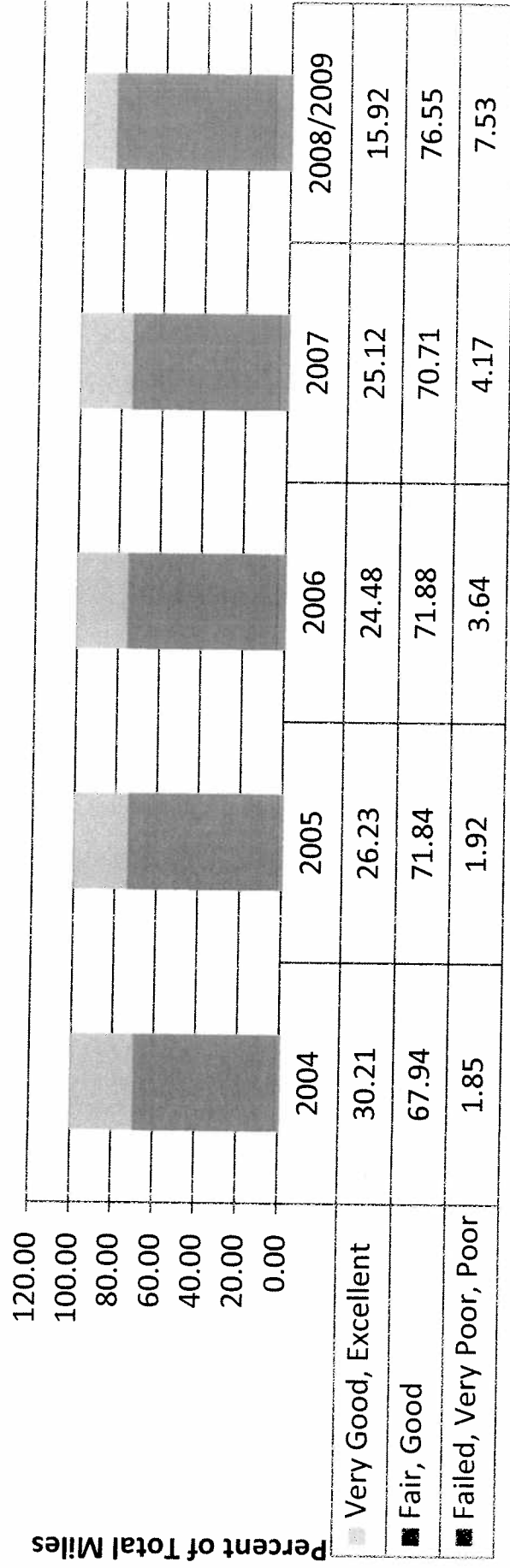
- The **IMPACT** of reduced funding = reduced services and reduced investment in our infrastructure.
- The reality is we can not continue to provide the same level of service.
- We can't keep cutting and "kicking the can" forward because it will cost us all more in the future.
- We can't afford to do nothing!

**Kalamazoo County Road Commission
MI Transportation Fund Receipts**



Federal Aid Eligible Road System

PASER Surface Condition Rating Kalamazoo County



Federal Aid Eligible Road System In Kalamazoo County PASER Condition Rating

